**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**
**ORDINARY ORIGINAL CIVIL JURISDICTION**

**INCOME TAX REFERENCE NO. 250 OF 1999**

The Commissioner of Income-tax. ... Applicant.
V/s.
M/s.Weld Craft (Goa)(P) Ltd. ... Respondent.

A.S.Rao for the Applicant.

**CORAM : V.C.DAGA AND J.P.DEVADHAR, JJ.**

**DATED : 25th April 2005.**

**P.C. :**
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. Heard learned counsel for the applicant.

The tribunal has referred following questions for the opinion of this Court:

1. "Whether on the facts and in the circumstances of the case, the Appellate Tribunal is right in law in holding that the amount of subsidy should not be reduced from the cost of the assets for the purpose of allowing depreciation and investment allowance?"

2. "Whether on the facts and in the circumstances of the case, the Appellate Tribunal is right in law in holding that the CIT was not justified in assuming the jurisdiction u/s.263 and revise the ITO's order?"

2. The first question has already been answered by the Apex Court in the case of **C.I.T. v. P.J.Chemicals Ltd.**, (1994) 210 ITR 830 (SC) and Division Bench of this Court in the case of **C.I.T. v. Menezes Farmaco**, (1999) 236 ITR (Bom) in favour of assessee and against the revenue. In this view of the matter, first question is answered in affirmative.

3. In view of answer to first question, second question need not be answered.

. Reference stands disposed of accordingly with no order as to costs.

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